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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

RICOH COMPANY, LTD.,
Plaintiff,
vs.
AEROFLEX INCORPORATED, et al.,
Defendants.) Case No. C03-04669 MJJ (EMC)
) Case No. C03-2289 MJJ (EMC)
) **DEFENDANTS' REPLY IN SUPPORT OF
THEIR MOTION FOR SUMMARY
JUDGMENT OF NONINFRINGEMENT
UNDER 35 U.S.C. §271(g)**

SYNOPSYS, INC.,) Date: November 1, 2005
Plaintiff,) Time: 9:30 a.m.
) Courtroom: 11, 19th Floor
) Judge: Martin J. Jenkins

RICOH COMPANY, LTD.,
Defendant.

Case Nos. C03-4669 MJJ (EMC) and C03-2289 MJJ (EMC)
**DEFENDANTS' REPLY IN SUPPORT OF THEIR
MOTION FOR SUMMARY JUDGMENT**

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- ¹¹ Fed. R. Civ. P. 56(e).....4

1 I. INTRODUCTION

2 The parties agree that the Court must decide whether the claimed ASIC design processes are
 3 “used directly in the manufacture” of ASICs. The parties fundamentally disagree about what “used
 4 directly in the manufacture” means.

5 Defendants Aeroflex Incorporated (“Aeroflex”), AMI Semiconductor, Inc. (“AMI”), Matrox
 6 Electronic Systems, Ltd. (“Matrox Electronics”), Matrox Graphics, Inc. (“Matrox Graphics”), Matrox
 7 International Corp. (“Matrox International”), Matrox Tech, Inc. (“Matrox Tech”) and Aeroflex
 8 Colorado Springs, Inc. (“UTMC”) (collectively the “Customer Defendants”) contend it means used in
 9 the actual, physical processes of transforming raw material into a finished product. The Customer
 10 Defendants further contend it cannot apply to a design process that results in only data and
 11 information, even if that data and information bears a relationship to the manufactured ASIC, as long
 12 as the information and data is not used in the actual acts of transforming raw material into a product.

13 Ricoh on the other hand contends that “used directly...” means virtually any step in a straight-
 14 line leading from product conception to the physical product. The process’ relationship to the acts of
 15 transforming raw material into a finished product is immaterial as long as a finished product ultimately
 16 results from the information and data.

17 The parties’ disagreement largely stems from their choice of standards. The Customer
 18 Defendants contend that legal definitions, as discussed and applied by the Federal Circuit, control the
 19 issue. Ricoh, however, contends that industry definitions, purportedly exemplified by its expert
 20 testimony and its interpretation of “evidence,” controls.

21 The Customer Defendants show that “used directly in manufacture” has a legal definition,
 22 independent of industry definitions and expert testimony, meaning immediately involved in the actual
 23 acts of transforming raw material into a physical product. There is no dispute that the claimed design
 24 methods immediately produce only data and information. Thus, Section 271(g) cannot apply to the
 25 claimed design methods here. No amount of additional discovery can change this conclusion.
 26 Accordingly, the Customer Defendants’ motion is ripe for decision and the Court should grant this
 27 summary judgment motion.

1 II. **RICOH'S OPPOSITION CONFIRMS THAT THE CUSTOMER DEFENDANTS'**
 2 **SUMMARY JUDGMENT MOTION IS RIPE FOR DECISION.**

3 A. **Ricoh Fails To Raise A Genuine Issue For Trial Precluding Summary Judgment.**

4 Ricoh's Statement of "Material Facts" fails to raise "specific facts showing that there is a
 5 genuine issue for trial." *Tinoco v. Belshe*, 916 F. Supp. 974, 979 (N.D. Cal. 1995) (quoting *Celotex*
 6 *Corp v. Catrett*, 477 U.S. 317, 324 (1986)). The use of the computer aided design methods of claims
 7 13 and 15-17 of the '432 patent result in the production of design data, specifically a netlist. The
 8 design methods of claim 14 also result in production of design data, specifically mask data. The only
 9 issue before the Court is whether the claimed design processes are used *directly* in the manufacture of
 10 an ASIC.

11 The underlying facts from which the Court can make that determination do not appear to be in
 12 dispute. Ricoh's opposition does not dispute that additional design processes are required to produce
 13 mask data from a netlist as described by Mr. Olson. Nor does Ricoh dispute that these additional
 14 processes are neither claimed nor described in the '432 patent.¹ Likewise, Ricoh does not dispute the
 15 complex processes of photomask manufacture as described by Mr. Heynes or the fact that these
 16 processes are not claimed or described in the '432 patent. Nor does Ricoh dispute the operations and
 17 processes involved in ASIC manufacturing described by Mr. Heynes or the fact that these processes
 18 too are not claimed or described in the '432 patent. Finally, Ricoh does not dispute that the claimed
 19 processes for generating netlists and mask data, are not steps in the actual physical manufacture of
 20 ASICs.

21 Ricoh and its declarants, Rhyne and Yamada, apparently agree with Synopsys and the
 22 Customer Defendants that a netlist undergoes a number of different processes before it is transformed
 23 into mask data, that mask data is utilized in the production of photomasks, not ASICs, and that
 24 photomasks are ultimately used in the process of ASIC manufacture. Rhyne Decl. ¶ 10; Yamada Decl.
 25 ¶ 3-6. Synopsys and the Customer Defendants certainly agree that you have to design an ASIC before

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27 ¹ The '432 patent specification is in accord. See '432 patent Col. 4, lines, 44-46.

1 you can manufacture it and, to that extent, there is a relationship between the design and the end
 2 product, *i.e.*, the ASIC. The only dispute between the parties appears to be the definition of “used
 3 directly in the manufacture” of ASICs and whether this definition is so broad as to encompass each and
 4 every step extending backwards in time, including photomask manufacture, and ultimately design.
 5 That is an issue of law for the Court to decide. Thus, no genuine issue regarding application of Section
 6 271(g) remains for trial.

7 For the most part, Ricoh’s issues of material fact merely restate the issue before the Court.
 8 Opp. at 4-7. Ricoh’s first and second “material facts” relate to where the Customer Defendants use the
 9 patented process, which is not an issue addressed by this motion. Opp. at 4. Ricoh has asserted a
 10 271(g) claim in its pleadings against each of the Customer Defendants and this motion is directed
 11 solely to whether the claims at issue (claims 13-17) can support a 271(g) claim of infringement as a
 12 matter of law. Ricoh’s third through eighth “material facts” likewise assert the issue in dispute –
 13 whether the patented methods are sufficiently proximate to the imported ASICs to apply Section
 14 271(g) here, a question of law for the Court. Opp. at 4-5. Thus, Ricoh’s Statement of Material Facts
 15 does not raise a genuine issue for trial and the Court may grant summary judgment.

16 Moreover, Ricoh’s allegedly material facts, separate and apart from its Statement of “Material
 17 Facts,” do not raise a genuine issue for trial. Opp. at 18-23. Indeed, these “facts” largely concern
 18 Ricoh arguing for a definition of “manufacturing” that incorporates the design process. Opp. at 18-23.
 19 But, Ricoh’s “evidence” consists of an alleged industry understanding of “manufacture” that is both
 20 irrelevant and fabricated for purposes of litigation. Ricoh thus attempts to substitute an alleged
 21 industry definition of “manufacture” for the legal definition at issue and to usurp the decision of the
 22 ultimate legal issue for the court, *i.e.*, whether a design process can be part of a manufacturing process
 23 for purposes of Section 271(g). Similarly, Ricoh’s “facts” supposedly showing that the Customer
 24 Defendants agree that the claimed methods are directly used to manufacture ASICs concern general
 25 ASIC design and manufacture processes. Opp. at 13-18. None of the documents or testimony cited
 26 supports the conclusion that the claimed methods here are directly used in the physical manufacture of
 27 ASICs. Ricoh fails to provide any authority for applying Section 271(g) based on industry definitions,
 28

1 experts' conclusory statements or anything other than the legal definitions in controlling precedent.
 2 Indeed, using an industry definition could lead to surprising, anomalous and inconsistent results across,
 3 and even within, industries.

4 Thus, no genuine issue regarding application of Section 271(g) remains for trial.

5 **B. Additional Discovery Is Not Warranted.**

6 **1. Ricoh agreed that the Customer Defendants' motion requires only the
 discovery already taken.**

7 At the July 13, 2005 Case Management Conference, the Court addressed the discovery
 8 necessary for the Customer Defendants to bring their summary judgment motion. Ricoh agreed that all
 9 they needed were the depositions of Messrs. Olson and Heynes who had offered declarations in
 10 support of the motion. See Declaration of Teresa M. Corbin ("Corbin Decl.") ¶ 3. Ricoh took that
 11 discovery and has relied on it in its opposition, as well as other declarations and depositions provided
 12 in this case. At the Case Management Conference, the Court made clear that it would not thereafter
 13 entertain a Rule 56(f) motion in connection with this matter. *Id.* at ¶ 3. Nevertheless, Ricoh now
 14 asserts that the motion must be denied because it is based on an incomplete record, though it fails to
 15 explain why the Court should not hold Ricoh to its agreement.

16 **2. Ricoh fails to show that Rule 56(f) warrants additional delay or discovery.**

17 Michael A. Weinstein's Declaration in support of Ricoh's opposition ("Weinstein Decl.") fails
 18 to state reasons showing Ricoh "cannot . . . present by affidavit facts essential to justify [Ricoh's]
 19 opposition." Fed. R. Civ. P. 56(e). In fact, Ricoh asserts that it has already provided "more than
 20 sufficient evidence of disputed material facts sufficient to deny the motion. Opp. at 3, footnote 2.
 21 Weinstein's Declaration fails to explain the relevance of any of the discovery it discusses, especially
 22 with respect to opposing the Customer Defendants' motion. Nor does Ricoh explain how any
 23 additional discovery could shed more light on the issue before the Court than the discovery the Court
 24 already has before it.² Indeed, Ricoh submitted numerous pages of "evidence" from its experts, from

27 ² In Ricoh's opposition (Opp. at 3 fn. 2, 23-24 and Weinstein Decl. ¶ 12), it makes unsubstantiated and
 28 untrue representations regarding the Customer Defendants' refusal to comply with their discovery
 (Continued...)

1 the Customer Defendants' experts, from other witnesses, from hearings and orders. Further discovery
 2 would be futile.³

3 The reasons stated in paragraphs 2-11 of the Weinstein Decl. are irrelevant with respect to
 4 deciding whether the claimed design methods are sufficiently proximate to, *i.e.*, used directly in the
 5 manufacture of, the imported ASICs to apply Section 271(g). Weinstein Decl. ¶ 2-11.⁴ For example,
 6 the details of the logic synthesis design process, which produce only data and information, are
 7 immaterial to the proximity of the design process to the ASICs. The Weinstein Decl. fails to explain
 8 how or why Ricoh could not present relevant manufacturing process details, especially in light of the
 9 "evidence" Ricoh submitted. Nor does the Weinstein Decl. explain why any missing manufacturing
 10 process details are relevant. Moreover, Ricoh cites to its own experts' testimony about the
 11 manufacturing process. Opp. at 15-17. The geographic location of ASIC design for all defendants is
 12 irrelevant. The issue is whether the accused ASICs are "made by" the claimed processes. Likewise,
 13 the companies involved in ASIC manufacturing, and the location of ASIC manufacturing, are
 14 irrelevant to deciding whether Section 271(g) can be applied to the technology at issue.

15 Because Ricoh fails to identify any fact creating a genuine issue for trial, and because Ricoh
 16 fails to demonstrate the propriety of delaying judgment under Rule 56(f), defendants' summary
 17 judgment motion is ripe for decision.

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(...Continued)

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obligations. The Customer Defendants deny this allegation but do not address the specifics here as
 23 these arguments are not relevant to this motion.

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³ Ricoh seeks to delay this motion so that it can seek the very same burdensome and irrelevant
 25 discovery that the early hearing on this motion is aimed to avoid, *e.g.*, "all documents" related to ASIC
 26 manufacturing. This issue was discussed at length at the Case Management Conference and provided
 27 the basis, at least in part, for the Court's leave to file this motion in advance of the date set for all other
 dispositive motions. Corbin Decl. ¶ 2.

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⁴ Several of the discovery items identified have already been produced. For example, source code for
 29 the Synopsys logic synthesis products used by the Customer Defendants (3) and identification of
 29 products and libraries the defendants use in performing logic synthesis (7).

III. THE CUSTOMER DEFENDANTS CORRECTLY AND ACCURATELY REPRESENTED THIS COURT'S CLAIM CONSTRUCTION RULING.

It is Ricoh, not the Customer Defendants who misrepresent the Court’s claim construction ruling. The Customer Defendants accurately pointed out that the Court found that claim 13 deals with ASIC design, not ASIC manufacturing. Mot. at 10. The Customer Defendants do not contend, as Ricoh suggests, that there is no relationship between the output of the design processes of claims 13 and 14 (netlists and mask data, respectively) and the manufactured ASICs. Instead, they simply contend that the claimed processes are not used “directly” in the manufacture of ASICs, *i.e.*, in the actual acts of transforming raw materials into a product.

The Court likewise found a distinction between designing and manufacturing ASICs. Indeed, the Court rejected Ricoh’s proposed “during manufacture of [an ASIC] . . . a process of designing the desired ASIC . . .” language. Claim Construction Order (“CCO”) at 6-8. Instead, “. . . the Court *finds* that the ‘computer-aided design process’ described in claim 13 *does not* include a manufacturing process for ASICs.” CCO at 7-8 (footnote omitted; emphasis added).⁵

In addition, the Court found Ricoh’s proposed construction “problematic because it clearly attempts to blur the line between the process of designing integrated circuits and the process of manufacturing integrated circuits. Nothing in the claim language [of independent claim 13] supports Ricoh’s attempt to broaden the claims to include a manufacturing process for a desired ASIC . . . the specification consistently describes a design, rather than a manufacturing, process. In fact, the term ‘manufacture’ does not appear in the claim or specification language. While the ‘netlist’ [of claim 13] may be required to ‘produce the particular [ASIC],’ that does not compel the conclusion that the ‘432 patent’s design process is inherently a part of the manufacturing process of the actual ASIC chips.’ CCO at 7 (footnote and citations omitted). Thus, the Court found that claim 13 concerns a design process, not a manufacturing process.

⁵ Ricoh represents this finding as “The Court *noted* that … claim 13 *need not* include a manufacturing process for ASICs’ [citing Claim Construction Order at 7-8].” Opp. at 12 (emphasis added).

1 Contrary to Ricoh's assertions, the Court, in adopting its definition of "netlist", did not
 2 "recognize that the netlist is actually used to *manufacture* the end product, *i.e.*, the ASICs." Opp. At
 3 12. Nor did the Court "acknowledge the proximate relationship" between design and manufacture for
 4 purposes of assessing section 271(g) jurisdiction. Opp. At 12. The footnote Ricoh relies on does not
 5 demonstrate a proximate relationship between the design process and the manufacturing process. Opp.
 6 at 12 (citing CCO at 8 n. 4). Instead, it only points out that dependent claim 14 claims an additional
 7 design process, subsequent to that in claim 13, further demonstrating that claim 13 is a distinct process
 8 from manufacturing. CCO at 8 n. 4. Moreover, claim 14 explicitly claims a design process, not a
 9 manufacturing process. '432 Patent at 16:34-36, 66. And, claim 14 directly produces only data or
 10 information. As such, it is similar to claim 13 in that it is distinct from physically manufacturing an
 11 ASIC. That claim 14's data is used in manufacturing masks and masks are needed to manufacture
 12 ASICs does not resolve the issue of whether the process of claim 14 is used directly in the physical
 13 manufacture of ASICs.⁶

14 As the court recognized in its claim construction order, ASIC design is different from ASIC
 15 manufacturing. As shown in the Customer Defendants' motion and this reply, that difference
 16 precludes application of Section 271(g) as a matter of law. The design methods of claims 13-17 are
 17 not directed to manufacturing processes and their output, design data, is not directly used in the
 18 physical manufacture of ASICs.

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25 ⁶ Moreover, dependent claim 14 does not reflect any additional invention on the part of the patentee. It
 26 merely recites that mask data can be generated from the netlist created in claim 13. The '432 patent
 27 merely states that "the netlist can be used as input to any existing VLSI layout and routing tool 16 to
 create mask data 18 for geometrical layout." '432 patent Col.4, lines, 44-46; see also '432 patent
 Abstract.

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1 IV. **THE CLAIMED METHODS ARE NOT USED DIRECTLY IN THE MANUFACTURE**
 2 **OF ASICS.**

3 A. **Only One Substantive Issue Is Before The Court – Whether The Claimed Methods**
 4 **Are Directly Used In The Manufacture Of ASICS.**

5 Ricoh does not contest the Customer Defendants' showing that direct application of Section
 6 271(g) requires manufacture of a physical product. Mot. at 11-14; *see Opp.* at 2. Ricoh agrees that the
 7 claimed methods result in design information, not a physical product. *Opp.* at 3 (counterstatement of
 8 issue). Accordingly, Section 271(g) liability cannot be based only on the use, importation or sale of
 9 the claimed methods' design information.

10 The only other basis for applying Section 271(g) is indirectly through use of the claimed
 11 processes *directly* in manufacturing ASICS. *See Bayer AG v. Housey Pharm., Inc.*, 340 F.3d 1367,
 12 1378 (Fed. Cir. 2003). Ricoh agrees that the issue before the Court is whether the patented methods
 13 are used directly in the manufacture of imported ASICS. *Opp.* at 3 (restating issue to presume
 14 judgment in its favor – “design information directly used in the manufacture of a physical product”);
 15 *see Bayer* at 1377-78 (“process must be used directly in the manufacture of the product, and not merely
 16 as a predicate process to identify the product to be manufactured”). Thus, the only issue before the
 17 Court is whether the claimed design processes are used directly in the manufacture of an ASIC.

18 B. **“Used Directly In The Manufacture” Means Used In The Physical Transformation**
 19 **Of Raw Materials Into ASICS.**

20 Ricoh agrees that *Bayer* and *Bio-Technology General Corp. v. Genentech, Inc.*, 80 F.3d 1553
 21 (Fed. Cir. 1996) control the outcome here. *Opp.* at 7. The *Bayer* court examined the meaning of
 22 “manufacture” and “made by” in the context of Section 271. The definitions the court relied on as
 23 relevant focus on the direct transformation of raw material into a physical product. Indeed, the *Bayer*
 24 court rejected the argument that “made by” is not “limited to methods of ‘manufacture,’” and refused
 25 to construe “made” as broader than its manufacturing-related sense. *See Bayer* at 1373. In reaching its
 26 decision, the *Bayer* court classified the different definitions of “made” into those “limited to
 27 manufacturing” and those “broadly encompass[ing] activities in addition to manufacturing.” *Bayer* at
 28 1372. In determining which of these definitions applied to Section 271(g), the court looked to other
 29 provisions of the statute and the legislative history. The court found applicable the narrower

1 manufacturing-related definitions exemplified by “to bring (a material thing) into being by forming,
 2 shaping, or altering material,” and inapplicable, the broader definitions exemplified by “[to] form as a
 3 result of calculation or design.” *Bayer* at 1372 (emphasis added).

4 In holding that Section 271(g) applies only to tangible objects, the *Bayer* court also examined
 5 “manufacture” definitions. See *Bayer* at 1371-72. The *Bayer* court found relevant such definitions as
 6 “to make (as raw material) into a product suitable for use … to make from raw materials by hand or
 7 machinery” and “the making of goods or wares by manual labor or machinery.” *Bayer* at 1371-72.
 8 The *Bayer* court further distinguished protected manufacturing processes from other processes in
 9 stating that Section 271(g) “is concerned exclusively with products that are physical goods produced
 10 by a manufacturing process.” *Bayer* at 1372. Tellingly, in reviewing the legislative history of Section
 11 271, the Court stated that Congress had interpreted “process patent” to be synonymous with
 12 “manufacturing technique.” *Bayer* at 1376.

13 In determining whether the requisite proximity exists between a patented process and a
 14 resulting product, the *Bayer* court stated that it must determine whether the product was “made by”
 15 that process. *Bayer* at 1377. The court determined that the pertinent dictionary definitions of “by” in
 16 “made by” in Section 271(g) “are ‘through the means or instrumentality of[;] … through the direct
 17 agency of[;] … through the medium of[;] … through the work or operation of.’” *Bayer* at 1378.
 18 Accordingly, the *Bayer* court described the required proximity as “used directly in the manufacture of
 19 the [physical] product.” *Bayer* at 1377-8. Thus, from an examination of the definitions the court
 20 found relevant, and taken in context together, “used directly in the manufacture …” means used in
 21 immediate formation of a tangible product and describes the actual transformation of raw material into
 22 a product.

23 **C. Section 271(G) Is Inapplicable Here Because The Claimed Processes Are Not Part
 24 Of An ASIC Manufacturing Process.**

25 In *Bio-Technology*, the process claim at issue was a method of making a plasmid and the
 26 accused product was hGH, human growth hormone. The preferred embodiment of the process patent
 27 was independently claimed and described the making of a plasmid, which contained a gene that

1 expressed hGH. The process patent described in detail not only how to make the plasmid containing
 2 the DNA encoding for hGH, but also how to use that plasmid in the commercial manufacture of hGH.
 3 The process patent claims at issue were thus themselves methods of manufacture and the method of
 4 manufacturing a plasmid containing DNA encoding hGH was the first physical step in the manufacture
 5 of the accused product, hGH. The process of manufacturing hGH is described in *Bio-Technology* at
 6 1557. See also U.S. Patent No. 4,342,832 attached to the Corbin Declaration as Exhibit A. The court
 7 concluded that hGH is a product that is "made by" the '832 patented process. *Bio-Technology* at 1561.
 8 The court emphasized "that the legislative history [of the Process Patents Amendment Act of 1988]
 9 precisely anticipated the fact situation of the *Bio-Technology* case and indicated Congress' intent that
 10 infringement of a process for making a plasmid is not to be avoided by using it to express its intended
 11 protein " and (2) that "the '832 patent itself explicitly contemplates that the patented process will be
 12 used as part of an overall [manufacturing] process for producing hGH; indeed, the patent discloses in
 13 detail how to make hGH by carrying out the claimed process and other necessary steps." This ruling is
 14 consistent with the later analysis in *Bayer* regarding the meaning of "made by" in Section 271(g) as
 15 requiring use of the process at issue in the direct manufacture of the accused product. In other words
 16 the process of making the plasmid was used in the physical manufacture of hGH.

17 In *Bayer*, the process claim at issue was not a method of manufacture at all but rather a method
 18 of screening for protein inhibitors and activators. The end product of the process at issue was the
 19 identification and characterization of a drug, *i.e.*, data. The accused product was the drug that had been
 20 identified as useful using the process claims in issue. The court concluded after analyzing the meaning
 21 of "made by" and "manufacture" as used in the statute and discussed above, that in order for the drug
 22 product to be "made by" the claimed process, the process must be used *directly* in the *manufacture* of
 23 the product, and not merely as a predicate process to identify the product to be manufactured. *Bayer* at
 24 1378. The court upheld the District Court's conclusion that "processes of identification and generation
 25 of data are not *steps in the manufacture* of a final drug product." (Emphasis added). *Bayer* at 1377.
 26 Therefore, the drug product was held "not [to be] a product 'made by' those claimed processes" and
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1 Section 271g did not apply. *Id.* at 1378. The court distinguished *Bio-Technology* on the basis that, in
 2 *Bayer*, the patented process was not used in the actual synthesis of the drug product. *Id.* at 1377.

3 The process claims here (claims 13-17), as construed by this Court, relate to methods of
 4 designing ASICs, not methods of manufacturing ASICs. Like *Bayer*, the output of the claimed
 5 methods is data, (*i.e.*, netlists and mask data). Like *Bayer*, and in contrast to *Bio-Technology*, the
 6 design processes at issue here are not part of the physical transformation of raw material into a product,
 7 *i.e.*, as ASIC. The netlist is not directly used in the physical manufacturing process that produces
 8 ASICs. Nor is mask data. Just as the court concluded in *Bayer* that the patented process was not used
 9 in the actual synthesis of the drug product (*Bayer* at 1377), the design processes of claims 13-17 are
 10 not used in the actual physical manufacture of ASICs. As explained by Mr. Heynes and
 11 uncontradicted by Ricoh, “the claimed processes for generating netlists and mask data are not even
 12 steps in the manufacture of masks, let alone ASIC chips.”⁷ Heynes Decl. paragraph 20. Also, unlike
 13 *Bio-Technology*, the ‘432 patent here does not “disclose[] *in detail* how to make [an ASIC] by carrying
 14 out the claimed process and other necessary steps.” *Bio-Technology* at 1561 (emphasis added). Unlike
 15 *Bio-Technology*, nothing in the statute itself or its legislative history addresses the facts before this
 16 Court. Accordingly, the claimed methods are not “used directly in the manufacture” of ASICs and,
 17 thus, the accused ASICs are not “made by” those claimed processes. Thus, there can be no
 18 infringement by a Customer Defendant ASIC based on the asserted claims. No court has construed
 19 Section 271(g) as extending to processes that are not directly used in the physical manufacture of the
 20 accused product and the court should decline to do so here.⁸

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7 Thus, at best, the plasmid in *Bayer* is akin to the mask in ASIC manufacture. However, unlike *Bayer*,
 24 the claims at issue here are not directed to a process of making masks, they are processes for
 generating design data.

25

8 As indicated in *Bayer*, parts of the legislative history of the statute indicate that Congress interpreted
 26 “process patent” as synonymous with “manufacturing technique.” *Bayer* at 1376. In the face of silence
 in the legislative history as to coverage of the statute beyond processes that are directly used in
 27 physical manufacture of an accused product, as indicated in *Bayer*, courts should be reluctant to
 broadly interpret the legislation. *Bayer* at 1376.

28

V. CONCLUSION

The issue before the Court is ripe for decision because further discovery would not further illuminate the issue. The relevant cases support the Customer Defendants' position that the ASIC design methods here, resulting in only data and information, are not directly used in the manufacture of ASICs and thus cannot provide the basis of Section 271(g) infringement liability. None of the admittedly controlling law applies Section 271(g) as broadly as Ricoh recommends the Court to do here. No cited case applies Section 271(g) to design methods producing only data and information or to methods which are not used directly in the physical manufacture of the accused product. Accordingly, the Court should grant the Customer Defendants' summary judgment motion.

Accordingly, the Court should grant the Customer Defendants' summary judgment motion.

Dated: August 30, 2005

Respectfully submitted,

HOWREY LLP

By: /s/

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